

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

January 25, 2007

Erwin Sass, General Manager Canyon Fuel Company, LLC P.O. Box 1029 Wellington, Utah 84542

Subject: <u>Denial of Permit Application</u>, <u>Addition of 40 Acres – Permit Expansion</u>,

Canyon Fuel Company, LLC, Dugout Mine, C/007/0039, Task ID #2729

Dear Mr. Sass:

The Division did an initial review the permit area addition of 40 acres that was submitted on December 29, 2006. This application is not complete and did not contain the essential resource information to review and approve the application, such as subsidence information, cultural information, etc.

No further action will be taken at this time. Two copies that were submitted to our office are enclosed. Please resubmit a complete and accurate application for this permit change.

If you should have any questions, please call me.

Sincerely,

Pamela Grubaugh-Littig

Permit Supervisor

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